



ANNO QUADRAGESIMO PRIMO

VICTORIÆ REGINÆ.

C A P. I.

An Act respecting the consolidated railway fund of this Province, (40 Vict., Cap. 2).

[Assented to 9th March, 1878.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. The Lieutenant Governor in Council may, at any time when he deems it expedient so to do, pledge, by way of collateral security, the municipal bonds or debentures, or any part of them, belonging to the Consolidated Railway Fund of the Province of Quebec, for any advance of money made or required for the purposes of enabling the Commissioners of the Quebec, Montreal, Ottawa and Occidental Railway to construct the said railway, or for any of the purposes of this act or of the acts of this Province 39 Vict., cap. 2, and 40 Vict., cap. 2 ; or may order the negotiation and sale, by the Treasurer of this Province, of the aforesaid bonds or debentures or any part thereof, subject to such terms and conditions as he may devise or prescribe.

Investment or sale of the municipal bonds belonging to the fund.

2. It shall be lawful for the Lieutenant-Governor in Council, if he shall deem it expedient so to do, to authorize the Treasurer of this Province, to contract a loan, and to that end, to issue, sell, and negotiate bonds or debentures of the Province, to an amount not exceeding three millions of dollars ; but in such case such last bonds or debentures shall be substituted to and shall take the place and stead of the loan of three millions of dollars which the said Railway Commissioners were by 39 Vict., cap. 2, sec. 25, authorized to raise, and of the bonds or debentures which the said Commissioners were by the said act authorized to issue.

Authorization for a loan of \$3,000,000, instead of the Q. M. O. and O.R. Commissioners' loan.

Proceeds of
the loan, how
disposed of.

3. The proceeds of the sale of such substituted bonds or debentures shall form part of the Consolidated Railway Fund, so far as it is necessary to repay or recoup the said fund for any advance made under the authority of 40 Vict., cap. 2, section 4.

Previous
agreement
required.

4. It shall be the duty of the Lieutenant Governor in Council, before making any such issue, to arrange with the holders of bonds of the said Railway Commissioners, theretofore issued, for the surrender and cancellation of the same, on such terms as he shall deem just and expedient.

Privilege,
priority, &c.,
of such issue
on the Q. M.
& O. Rail-
way reve-
nues.

5. Any issue of bonds or debentures of this Province, issued under the authority of this act, shall take, hold and have the same privileges and advantages, and the same rank and priority, on the revenues or rental of the said Quebec, Montreal, Ottawa and Occidental Railway, as the bonds or debentures of the said Railway Commissioners would have taken and held under the authority of the said act, 39 Vict., cap. 2; and the net revenue or rental of the said road shall be used and applied, conformably to the terms of the said act, in the payment and discharge of the interest and sinking fund, occurring or arising from said substituted bonds or debentures.

Form, &c., of
the bonds.

6. Such substituted bonds or debentures shall be issued in the form, and according to the mode and conditions which the Lieutenant Governor in Council shall deem expedient to prescribe in the interests of the province.

When pay-
able; inter-
est; sinking
fund.

7. Such bonds shall be payable in thirty years, in currency or sterling, and shall bear interest at a rate not exceeding five per centum per annum. A sinking fund of one per centum per annum shall be established for their redemption.

Advance of
\$3,116,956,
to the Coms.,
authorized.

8. It shall be lawful for the Lieutenant Governor in Council, if he shall deem it expedient so to do, to advance to the said Railway Commissioners, out of the Consolidated Railway Fund of the Province of Quebec, a sum of three million one hundred and sixteen thousand, nine hundred and fifty-six dollars; and such advance shall be repaid to the said Consolidated Railway Fund so soon as practicable.

Railway fund
proving in-
sufficient.

9. In the event of the said Consolidated Railway Fund, from any cause, proving insufficient to meet any subsidy payable to any railway entitled thereto, under the pro-

visions of any act of the legislature, such deficiency shall be made good and subsidy paid out of the Consolidated Revenue Fund of this Province.

10. Nothing in this act contained shall be construed to affect the rights of the municipalities or corporations mentioned in schedule A of the Act 39 Vict., Cap. 2, to be paid interest upon their subscriptions according to law. Rights of municipalities safe.

C A P . I I .

An Act to further amend the law respecting subsidies in money made to certain railway companies.

[Assented to 9th March, 1878.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. The Lieutenant Governor in Council may allow to the following companies, viz : Advance of \$1000 to certain Cos., authorized.
 The Levis and Kennebec Railway Company,
 The Quebec Central Railway Company, and
 The St. Francis and Megantic International railway,
 From and out of the balance of their subsidy, an advance of one thousand dollars for each mile of road which shall be completed by them thereafter ; Restriction. provided that there remains thereafter one thousand dollars for each mile of the unconstructed portion of their roads.

2. No advance, under the provisions of the present act, shall be made to the companies mentioned in the preceding section, for that portion of their roads on which they have an advance of two thousand dollars per mile, under the provision of the act 40 Vict, chap. 3. Other restriction.

3. The Lieutenant Governor in Council, as soon as the Missisquoi and Black Rivers Valley Railway Company shall have put the partially completed portion of their road in good working order, and that to his satisfaction, may advance to them, on account of their subsidy, a sum of \$1500 for each mile of road thus completed, in addition to the sum of \$2,500 for each mile which they now are entitled to receive and have already in part received, and, out of the whole balance of the subsidy granted to them for any other portion of their road which they may hereafter complete, another sum of such an amount, and in such manner, that this advance being made, there shall remain to be paid not less than \$1000 per mile upon that portion of the road to be hereafter completed ; and pro- Restriction.